MS137797.1

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re patent application of:

Applicant(s): David E. Heckerman, *et al.*

Serial No: 09/450,262

Filing Date: November 29, 1999

Title: *TRANSMISSION OF INFORMATION DURING AD CLICK-THROUGH*

Examiner: D. Lastra

Art Unit: 2162

Assistant Commissioner for Patents
U.S. Patent and Trademark Office
Washington, D.C. 20231
Attention: Board of Patent Appeals and Interferences

APPEAL BRIEF

Dear Sir:

Applicant submits this brief in triplicate in connection with an appeal of the above-identified application. The Commissioner is authorized to charge Deposit Account No. 50-1063 in the amount of $320.00 for the fee associated with this brief.

I.   Real Party in Interest (37 C.F.R. § 1.192(c)(1))

The real party in interest in the present appeal is MICROSOFT CORP., the assignee of the present application.

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II.   Related Appeals and Interferences (37 C.F.R. § 1.192(c)(2))

Appellants, appellants' legal representatives, and/or the assignee of the present application are unaware of any appeals or interferences which will directly affect, or be directly affected by or have a bearing on the Board's decision in the pending appeal.

III.   Status of Claims (37 C.F.R. § 1.192(c)(3))

Claims 1-4, 6-14, and 16-26 are pending in the application. The rejection of claims 1-4, 6-14, and 16-26 is appealed.

IV.   Status of Amendments (37 C.F.R. § 1.192(c)(4))

No claim amendments have been made subsequent to the final rejection of November 19, 2002.

V.   Summary of Invention (37 C.F.R. § 1.192(c)(5))

The present invention relates to the transmission of information when a banner ad is activated on a web page. A banner ad is a specific example of what is referred to generally as an item, or as a display message (p. 9, ll. 21-22) on a web page. The user, while navigating a web page, may activate a display message or item using a pointing device such as a mouse, trackball, etc., which would transport the user to a new web page (p. 10, ll. 5-16). By activating the original display message, the user would be at a new web site in which the display message had been linked.

The present invention utilizes clusters for the clustering of the display messages or items; and the transferring of information between the user activating display messages or items and the entity (p. 11, ll. 5-10). The clusters are used to determine which ads, (*e.g.*, display messages or items) are to be displayed for a given set of web pages linked to a given cluster (p. 11, ll. 11-13). For example, the web page displayed to the user can be tailored specifically for the user engaging in the specific web-browsing session.

The clusters have the ability to transfer to the entity information regarding but not limited to the user itself as well as the identification and/or type of the particular web page and will help the entity determine the ads the user will see on that web page (p. 12, ll. 8-11). For example, the

clusters may be defined by using user demographic information and user web-page browsing history and habit information, and it may be known that users of particular demographics when browsing particular types of web pages are more likely to click on certain types of display messages or items. In such an example, the cluster could be defined for users of such demographics when browsing such web pages, such that display messages or items of those types are allocated to that cluster (p. 11, ll. 14-19). Thus, the invention allows the entity to direct personalized and/or characterized message displays or items on web pages at individual users.

VI. Statement of the Issues (37 C.F.R. § 1.192(c)(6))

A.   Whether claims 1-4, 6-14, and 16-20 are patentable under 35 U.S.C. § 102(e) over U.S. Patent No. 6,343,274 to McCollom, *et al.*

B.   Whether claims 21-26 are patentable under 35 U.S.C. § 103(a) over McCollom, *et al.*

VII. Grouping of Claims (37 C.F.R. § 1.192(c)(7))

For the purposes of this appeal only, the claims are grouped as follows:

Claims 1, 8, 11, and 18 stand or fall together; claims 2 and 12 stand or fall together; claims 3, 9, 13, and 19 stand or fall together; claims 4 and 14 stand or fall together; claims 6 and 16 stand or fall together; claims 7, 10, and 20 stand or fall together; and claims 21-26 stand or fall together.

VIII. Argument (37 C.F.R. § 1.192(c)(8))

A.   Rejection of Claims 1-4, 6-14, and 16-20 Under 35 U.S.C. §102(e)

Claims 1-4, 6-14, and 16-20 stand rejected under 35 U.S.C. § 102(e) as being anticipated by McCollom, *et al.* (U.S. Patent No. 6,343,274). Withdrawal of this rejection is respectfully requested for at least the following reasons. McCollom, *et al.* neither discloses nor suggests each and every element of applicants' invention as recited in the subject claims.

For a prior art reference to anticipate, 35 U.S.C. § 102 requires that *"each and every element as set forth in the claim is found, either expressly or inherently, described, in a single prior art reference."* *In re Robertson*, 169 F.3d 743, 745, 49 USPQ2d 1949, 1950 (Fed. Cir. 1999) (*quoting Verdegaal Bros., Inc. v. Union Oil Co.*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987)).

i.   **McCollom, *et al*. fails to disclose or suggest transmitting information to an entity associated with an ad or display message upon detecting activation of the ad or display message**

Independent claims 1, 8, 11 and 18, recite in part ... transmitting information to an entity associated with an ad or display message *upon detecting activation of the ad or display message*, the information regarding the current cluster. McCollom, *et al.* does not disclose or suggest transmitting information regarding the current cluster associated with the ad or display message upon detecting activation of the message. A merchant within McCollom, *et al.* must manually request a report and then specify the information wanted within the report (*See* col. 6, lines 52-55, 61-67, col. 7 lines 1-19). In contrast, the present claims require that transmitted information regarding the current cluster associated with the ad or display message is transmitted to the entity *upon selection of the ad* without any intervening actions by the entity - the advertising entity does not request any report. Thus, information is transmitted to advertisers in much more rapid, efficient, and automated manner than disclosed or suggested in McCollom, *et al.* Information transferred in this manner clearly provides more utility to recipients of the information since it is timely transmitted upon selection rather than the manual and more laborious efforts described by McCollom, *et al.*

Because each and every claim element is neither disclosed nor suggested in McCollom, *et al.*, the claims are not anticipated by McCollom, et al. A reversal of this rejection is requested.

ii.   McCollom, *et al.* fails to disclose or suggest transmitting information regarding the current cluster

Independent claims 1, 8, 11, and 18 recite in part transmitting information to an entity associated with an ad or display message upon detecting activation of the display message, *the information comprising information regarding the current cluster*. McCollom, *et al.* neither discloses nor suggests transmitting information regarding the current cluster. The Examiner cites col. 6, lines 61-67 and col. 7 lines 1-19 as disclosing such aspect. Before proceeding, the subject cited sections of McCollom, *et al.* are provided below:

> The reports can include but are not limited to the following information: Total number of impressions; Average number of impressions per client; Average time spent viewing an ad (i.e. impression duration); Graph of number of times ad seen vs. time of day; Average percentage of ad seen (e.g. on average, clients saw 92% of the ad); Total number of click-throughs (user clicks on ad URLs); Number of customers where the merchant is a favorite; Share of favorites slot--number of customers listing merchant as a favorite vs. total customers that have favorites (including breaking this down by category as well, e.g. of customers who list shoe stores in their favorites, a specific merchant is listed 71.3% of the time); Ad share-- Of all ads a customer has viewed, how many have been from this merchant; Time share--Of all ads, favorites, banners, etc., how much time have customers spent on average "viewing" the merchant; What share of ad clicks does the merchant get (number clicks to the merchant vs. clicks to other merchants); Distribution of the host domains used to access the merchant via the consumer registry (e.g. 75% from the .com domain, 10% from the .edu domain, etc.); Average connection speed of consumers connecting to the merchant registry and which visit the merchant; Breakdown of customer's screen resolution & screen depth; Distribution of client default browser settings.

Nowhere in McCollom, *et al.* is it disclosed or suggested to transmit information regarding a *current cluster* of ads. Rather, the information transmitted (*See* the above citation) is related solely to the performance of the ad (*e.g.,* number of clicks) without any consideration given to the *cluster* of ads that may also be displayed therewith. In one example from the above citation, merely providing a number of clicks for the merchant's ad versus other merchants does not define or provide information regarding a current cluster of ads since there is *no defined*

relationship (*e.g.,* cluster) between the respective merchant's ads in McCollom, *et al.* Therefore, one merchant's ad getting a certain number of "hits" versus another merchant merely provides an absolute value of the number hits without defining or providing *any context* for the cluster in which the ad was displayed.

In sharp contrast to McCollom, *et al.*, the present invention employs cluster information to determine information such as demographic information, for example, from the context or cluster of ads from which the selected ad was grouped. The information provided at selection time enables advertisers to learn general information while maintaining privacy for users. Such information can include what group of users the users are within as derived from an association with the cluster or subset of ads similarly grouped which is neither disclosed nor suggested in McCollom, *et al.* As such, withdrawal of this rejection is respectfully requested.

iii.   McCollom, *et al.* fails to "inherently" disclose or suggest transmitting information regarding the current cluster or ads having a selection probability

In the Final Office Action dated November 19, 2002, the Examiner argues that transmitting information regarding the current cluster is inherent to the McCollom system. In addition, an ad having a selection probability was deemed to be inherent in McCollom. These arguments are improper.

> To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.' *In re Robertson*, 169 F.3d 743, 745, 49 USPQ2d 1949, 1950-51 (Fed. Cir. 1999).

The McCollom system simply transfers advertising data compiled for *individual ads*. The mere fact that advertising data is employed by the McCollom system is not sufficient to suggest transferring *current cluster data* as claimed in the subject invention. There is no mention or suggestion in McCollom, *et al.* of transmitting cluster data from which the ad was displayed. As

discussed above, data transmitted regarding the current subset or cluster from which an ad is displayed is employed to derive other useful information (from the subset or cluster) for the advertiser while maintaining privacy for the user in accordance with the claimed invention. Rather, the purported inherency conclusion appears to be based on improper hindsight, in which the subject application provides the missing teaching or suggestion. *See, e.g., Monarch Knitting Machinery Corp. v. Sulzer Morat GmbH*, 45 USPQ2d 1977 (Fed. Cir. 1998). Thus, it is improper to argue that the McCollom, *et al.* system inherently provides the aforementioned cluster aspects when it is readily apparent this feature can only be derived from the subject invention, and therefore, this rejection should be reversed.

Furthermore, independent claims 1 and 11, recite selecting an ad to be displayed on a web page as one of a plurality of ads within a current cluster, each of the plurality of ads having a respective *selection probability* for being displayed ..., whereas independent claims 8 and 18 recite detecting activation of a display message, the display message associated with a current cluster and having a *selection probability* within the current cluster for being displayed. Contrary to the present claimed invention, McCollom, *et al.* entails an ad-slot purchasing system - merchants have an option of buying slots for ads and categorizing the ads according to their preferences. The merchants can log on to the system with an ID and a password ensuring privacy of access to ad preferences (*See* col. 5, lines 5-62). McCollom, *et al.* does not teach or suggest each of the plurality of ads or display messages having a selection probability for being displayed as recited in the subject claims. For example, in the present invention as claimed, each cluster will associate a probability to respective ads or messages within the cluster. The ads within a cluster are assigned this probability as the probability of being displayed to the user. Therefore, based on, for example, the current user and/or type of the web page, the ads or messages within a cluster will have an assigned probability of being displayed (*See* p. 12, lines 8-21). As such, the fact that the McCollom, *et al.* system utilizes statistical data is not sufficient to suggest a selection probability that relates to a cluster of ads. It appears the Examiner is impermissibly employing hindsight with applicants' claimed invention serving as a roadmap to make up for the deficiencies of the McCollom, *et al.* system; especially given there is no mention or suggestion of a selection probability as in the subject claimed invention.

In view of the above, it is submitted that the subject invention as recited in independent claims 1, 8, 11 and 18, (and claims 2-4, 6, 7, 9,10, 12-14, 16, 17, 19 and 20 which depend therefrom), is neither anticipated nor made obvious by McCollom, *et al.* and a reversal of this rejection is respectfully requested.

B.   Rejection of Claims 21-26 Under 35 U.S.C. §103(a)

Claims 21-26 stand rejected under 35 U.S.C. §103(a) as being unpatentable over McCollom, *et al.* (U.S. Patent No. 6,343,274). Withdrawal of this rejection is respectfully requested for at least the following reasons. As noted above, McCollom, *et al.* does not disclose or suggest each and every element of independent claims 1, 8, 11, and 18 from which claims 21-26 depend. Accordingly, it is submitted that this rejection be withdrawn. Furthermore, the Examiner appears to be employing improper reasoning and/or hindsight when rejecting the respective dependent claims.

i.   The Examiner Has Improperly Cited Elements and References Without a Proper Showing of Evidence for Such Combination

As noted by the court in *In re Fine*, 837 F.2d 1071 (Fed. Cir. 1988),

> The PTO has the burden under section 103 to establish a *prima facie* case of obviousness. *See In re Piasecki*, 745 F.2d 1468,1471-72, 223 USPQ 785, 787-87 (Fed. Cir. 1984). It can satisfy this burden **only** by **showing** some objective teaching in the prior art **or** that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257, 1258 (Fed. Cir. 1984).

There is no teaching or suggestion in McCollom, *et al.* even remotely related to dynamically tailoring a web page and/or automatically changing a web page as recited in claims 21-26. The Examiner has failed to provide any evidence within the reference or evidence showing that one of ordinary skill in the art would be motivated to select the combination recited in the subject claims. The only evidence offered appears to be a bald assertion that the one of ordinary skill would *"know that the consumer browser would be dynamically tailored or*

automatically changed ... the server would customize the advertisements sent to the consumer."

The above assertion also appears to be based on improper hindsight, in which the Examiner has selected and combined individual features from prior art, not based on a teachings from the references themselves, but instead based on employing the subject claims as a roadmap. "It is insufficient to establish obviousness that the separate elements of the invention existed in the prior art, absent some teaching or suggestion, **in the prior art**, to combine the elements." *Arkie Lures Inc. v. Gene Larew Tackle Inc.*, 43 USPQ2d 1294, 1297 (Fed. Cir. 1997) (emphasis added). In particular, there is no teaching or suggestion in McCollom, *et al.* regarding dynamic or automated actions which are initiated in accordance with information regarding a current cluster.

In view of the above, it is respectfully submitted that the subject invention as recited in claims 21-26 is not obvious in view of McCollom, *et al.* A reversal of this rejection is respectfully requested.

IX.   Conclusion

For at least the above reasons, the claims currently under consideration are believed to be patentable over the cited references. Accordingly, it is respectfully requested that the rejections of claims 1-4, 6-14, 16-26 be reversed.

Respectfully submitted,
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X.   Appendix of Claims (37 C.F.R. § 1.192(c)(9))

1.   A computer-implemented method comprising:

selecting an ad to be displayed on a web page as one of a plurality of ads within a current cluster, each of the plurality of ads having a respective selection probability for being displayed;

displaying the ad selected on the web page;

detecting activation of the ad displayed; and,

transmitting information to an entity associated with the ad upon detecting activation of the ad displayed, the transmitted information comprising information regarding the current cluster.

2.   The method of claim 1, further comprising displaying a web page associated with the entity associated with the ad.

3.   The method of claim 1, wherein the current cluster is one of a plurality of clusters, the plurality of clusters based on information provided by at least the entity.

4.   The method of claim 1, wherein detecting activation of the ad display comprises detecting clicking on of the ad displayed.

6.   The method of claim 1, wherein at least some of the plurality of ads are related to the entity for promoting a brand image of the entity.

7.   The method of claim 1, wherein the entity comprises one of: a vendor, an advertiser, an organization, and a business.

8.   A computer-implemented method comprising:

detecting activation of a display message, the display message associated with a current cluster and having a selection probability within the current cluster for being displayed ;

transmitting information to an entity associated with the display message upon detecting activation of the display message, the information comprising information regarding the current cluster.

9.   The method of claim 8, wherein the current cluster is one of a plurality of clusters, the plurality of clusters based on information provided by at least the entity.

10.   The method of claim 8, wherein the entity comprises one of: a vendor, an advertiser, an organization, and a business.

11.   A machine-readable medium having instruction stored thereon for execution by a processor to perform a method comprising:

selecting an ad to be displayed on a web page as one of a plurality of ads within a current cluster, each of the plurality of ads having a respective selection probability for being displayed;

displaying the ad selected on the web page;

detecting activation of the ad displayed; and,

transmitting information to an entity associated with the ad upon detecting activation of the ad displayed, the transmitted information comprising information regarding the current cluster.

12.   The medium of claim 11, the method further comprising displaying a web page associated with the entity associated with the ad.

13.   The medium of claim 11, wherein the current cluster is one of a plurality of clusters, the plurality of clusters based on information provided by at least the entity.

14.   The medium of claim 11, wherein detecting activation of the ad display comprises detecting clicking on of the ad displayed.

16.   The medium of claim 11, wherein at least some of the plurality of ads are related to the entity for promoting a brand image of the entity.

17.   The medium of claim 11, wherein the entity comprises one of: a vendor, an advertiser, an organization, and a business.

18.   A machine-readable medium having instructions stored thereon for execution by a processor to perform a method comprising:

detecting activation of a display message, the display message associated with a current cluster and having a selection probability within the current cluster for being displayed;

transmitting information to an entity associated with the display message upon detecting activation of the display message, the information comprising information regarding the current cluster.

19.   The medium of claim 18, wherein the current cluster is one of a plurality of clusters, the plurality of clusters based on information provided by at least the entity.

20.   The medium of claim 18, wherein the entity comprises one of: a vendor, an advertiser, an organization, and a business.

21.   The method of claim 1, further comprising dynamically tailoring the web page based upon the transmitted information.

22.   The method of claim 1, further comprising dynamically tailoring the ad displayed based upon the transmitted information.

23.   The method of claim 8, further comprising dynamically tailoring a display based upon the information regarding the current cluster.

24.   The method of claim 8, further comprising dynamically tailoring the display message based upon the information regarding the current cluster.

25.   The medium of claim 11, the method further comprising automatically changing at least one of the web page and the ad displayed based upon the information regarding the current cluster.

26.   The medium of claim 18, the method further comprising automatically changing at least one of a display and the display message based upon the information regarding the current cluster.